STATE OF VERMONT

HUMAN SERVICES BOARD

In re)	Fair	Hearing	No.	M-04/10-182
)				
Appeal of)				

INTRODUCTION

The petitioner appeals the decision by the Department for Children and Families, Economic Services Division, Health Access Eligibility Unit terminating her eligibility for Medicaid. The issue is whether the Department correctly determined the petitioner's household composition and income. The following facts are not in dispute.

FINDINGS OF FACT

- 1. Prior to April 2010 the petitioner was a recipient of Medicaid. When her eligibility was initially determined, it was based solely on her own income because she and her husband were separated.
- 2. Sometime in 2010 the petitioner and her husband resumed living together. In a notice dated February 18, 2010 the Department notified her that due to her husband's income she was ineligible for Medicaid, effective April 1, 2010, until she meets a "spenddown" of over \$10,000 for the ensuing six-month period.

- 3. There is no dispute that the petitioner and her husband have countable income of \$2,916.50 a month. It appears that the Department has correctly calculated the household's income and is now using the most favorable eligibility determination process in arriving at the petitioner's spenddown.
- 4. The Department has also notified the petitioner's husband that his coverage under the VPharm program will end on July 1, 2010. Unfortunately, the petitioner and her husband have medical conditions that require the purchase of extremely expensive medications, which will no longer be covered under any more-limited medical programs for which they might now be eligible (although those expenses will count toward meeting their Medicaid spenddowns).

ORDER

The Department's decision is affirmed.

REASONS

As noted above, there is no dispute that the Department as of April 1, 2010 correctly determined both the sources and amounts of the petitioner's household income. Under Medicaid rules, the earned and unearned income of all related household members is considered in determining financial

eligibility. W.A.M. § 4221. Unfortunately, although it can be viewed as a financial disincentive for married cohabitation, the regulations are clear that Medicaid households must include spouses who live together, and that part of the income of one spouse must be deemed available to the other, even if one or both spouses have high medical expenses. W.A.M. §§ 4281 et seq.

Inasmuch as the Department's decision in this matter is in accord with the pertinent regulations, the Board is bound to affirm. 3 V.S.A. § 3091(d), Fair Hearing Rule No. 1000.4D.

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